

# **DECISION AND ORDER**

EB-2020-0162

EB-2020-0185

Amending Electricity Distributor and Unit Sub-Meter Provider Licences to Require Licensees to administer the COVID-19 Energy Assistance Program and the COVID-19 Energy Assistance Program – Small Business

BY DELEGATION, BEFORE: Brian Hewson Vice President, Consumer Protection & Industry Performance

March 3, 2021

### INTRODUCTION AND SUMMARY

Through Decisions and Orders dated June 16, 2020, August 7, 2020, September 30, 2020 and January 14, 2021, the Ontario Energy Board (OEB) has made provision for licence conditions related to the implementation of two government-funded programs by licensed electricity distributors and licensed unit sub-meter providers (collectively, Utilities): the COVID-19 Energy Assistance Program (CEAP) for residential customers, and the COVID-19 Energy Assistance Program – Small Business (CEAP-SB) for small business and registered charity customers.

When the programs were designed, separate funds were made available for each program and the OEB provided each Utility with an allocation of funds for CEAP and a separate allocation of funds for CEAP-SB. By letter dated March 1, 2021 (MENDM Letter), the OEB was advised by the Ministry of Energy, Northern Development and Mines that the government will allow Utilities to pool their CEAP and CEAP-SB funds so that applications can proceed on a first-come, first-served basis, regardless of whether the applicant is a residential or small business customer. The OEB is therefore further amending the Utilities' licences to allow Utilities to effectively "pool" the funds allocated to them for the purpose of CEAP and CEAP-SB once their funding allocation for one of the programs has been depleted, and to thereafter use the pool of remaining funds to provide credits for eligible customers under either program.

This Decision and Order is being issued by Delegated Authority without a hearing pursuant to section 6(4) of the *Ontario Energy Board Act, 1998* (OEB Act).

## BACKGROUND

The government has made \$9 million in CEAP funding, and \$8 million in CEAP-SB funding, available to residential, small business, and registered charity customers that are struggling to pay their energy bills as a result of the COVID-19 pandemic. The OEB allocated separate funding amounts for CEAP and CEAP-SB to individual Utilities by letters dated June 16, 2020 and August 7, 2020 respectively. Funds were also allocated to natural gas distributors through separate letters.

The OEB has been monitoring uptake under the CEAP and CEAP-SB programs and sharing that information with the government. Some Utilities have exhausted or are close to exhausting their funding allocation for CEAP but still have CEAP-SB funds remaining. For a smaller number of Utilities, the reverse is true.

The MENDM Letter notes that, in light of this situation, the government will allow Utilities to pool their CEAP and CEAP-SB funds so that applications can continue to be

processed on a first-come first-served basis, regardless of whether the applicant is a residential (CEAP) or small business or registered charity (CEAP-SB) customer.

As a result, the OEB will amend the licences of the Utilities to permit them to effectively pool their CEAP and CEAP-SB funding allocations once funding has been exhausted for one of the programs. In other words, the OEB will allow Utilities to use funds that were initially allocated for CEAP-SB to apply credits to CEAP-eligible accounts where the Utility's CEAP funding is exhausted, and vice versa. These changes are expected to help ensure that as much funding as possible is made available to customers in need.

Where a Utility has funds remaining for both programs, the Utility will continue to process applications for each program separately in the order in which they were received. Once a Utility has exhausted funding for one of the programs, the "first come, first-served" approach applies to all applications regardless of the program under which the application is made. If a Utility currently has applications pending for a program for which it has insufficient funding, those applications should be processed first before processing of any new applications.

With respect to reimbursement from the IESO, Utilities will continue to follow the existing process while they still have funding allocations remaining for both programs. Once a Utility starts to provide funding from the pooled allocation, Utilities will need to report the total combined number of CEAP and CEAP-SB accounts that they provided credits to and the total funding provided under that allocation.

Utilities are reminded that the licence conditions for CEAP and CEAP-SB require that they track credit amounts and other information regarding each program separately and must continue to do so despite the use of pooled funds. For greater certainty, the records referred to above in respect of CEAP and CEAP-SB shall be maintained irrespective of whether a credit was provided in whole or in part from funding available to the Licensee for the other program.

The new licence conditions are effective immediately. All other licence conditions remain unchanged.

#### IT IS ORDERED THAT:

- 1. Sections 23 and 24 of the electricity distribution licence of each electricity distributor are amended and a new Section 25 is added to reflect the changes described in this Decision and Order as set out in Attachment A.
- 2. Sections 12 and 13 of the unit sub-metering licence of each unit sub-meter provider are amended and a new Section 14 is added to reflect the changes described in this Decision and Order as set out in Attachment B.

DATED at Toronto March 3, 2021

#### ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance Attachment A To Decision and Order dated March 3, 2021 EB-2020-0162/EB-2020-0185 Licence Conditions – Electricity Distributor

- 23.3 The Licensee shall:
- (b) Subject to paragraph 25.1, process all complete Application Forms in the order in which they are received.
- 23.6 Despite paragraph 23.4:
- (a) The Licensee is not required to provide a credit to a CEAP-eligible account if the total amount of funding available to the Licensee as specified by the Board for CEAP and CEAP-SB (as defined in paragraph 24.1) in the aggregate has been expended; and
- 23.6A Despite paragraph 23.6(a), the Licensee shall not use funding available for CEAP-SB (as defined in paragraph 24.1) to provide a credit to a CEAP-eligible account until the total amount of CEAP funding available to the Licensee as specified by the Board has been expended.
- 23.9 The Licensee shall report to the Board, as soon as practicable, the date on which the total amount of CEAP funding available to the Licensee as specified by the Board has been expended. For greater certainty, the reference to CEAP funding does not include funding available to the Licensee for CEAP-SB (as defined in paragraph 24.1) even if that funding is used to provide credits to CEAP-eligible accounts.

#### 24 Administration of COVID-19 Energy Support Program – Small Business

24.3 The Licensee shall:

- (b) Subject to paragraph 25.1, process all complete Application Forms in the order in which they are received
- 24.6 Despite paragraph 24.4:
- (a) The Licensee is not required to provide a credit to a CEAP-SB eligible account if the total amount of funding available to the Licensee as specified by the Board for CEAP-SB and CEAP (as defined in paragraph 23.1) in the aggregate has been expended; and
- 24.6A Despite paragraph 24.6(a), the Licensee shall not use funding available for CEAP (as defined in paragraph 23.1) to provide a credit to a CEAP-SB eligible account until the total amount of CEAP-SB funding available to the Licensee as specified by the Board has been expended.
- 24.9 The Licensee shall report to the Board, as soon as practicable, the date on which the total amount of CEAP-SB funding available to the Licensee as specified by the Board has been expended. For greater certainty, the reference to CEAP-SB funding does not include funding available to the Licensee for CEAP (as defined in paragraph 23.1) even if that funding is used to provide credits to CEAP-SB eligible accounts.

#### 25 Processing of Applications for CEAP and CEAP-SB from Pooled Funds

25.1 Once the Licensee commences to provide credits for CEAP-eligible accounts from funding available to the Licensee for CEAP-SB or to provide credits for CEAP-SB-eligible accounts from funding available to the Licensee for CEAP, the Licensee shall process Application Forms in the order in which they are received regardless of the program to which the Application Form applies. Defined terms used in this paragraph shall have the meanings given to them in paragraphs 23.1 and 24.1.

Attachment B To Decision and Order dated January 14, 2021 EB-2020-0162/EB-2020-0185 Licence Conditions – Unit Sub-Meter Provider

- 12.3 The Licensee shall:
- (b) Subject to paragraph 14.1, process all complete Application Forms in the order in which they are received.
- 12.6 Despite paragraph 12.4:
- (a) The Licensee is not required to provide a credit to a CEAP-eligible account if the total amount of funding available to the Licensee as specified by the Board for CEAP and CEAP-SB (as defined in paragraph 13.1) in the aggregate has been expended; and
- 12.6A Despite paragraph 12.6(a), the Licensee shall not use funding available for CEAP-SB (as defined in paragraph 13.1) to provide a credit to a CEAP-eligible account until the total amount of CEAP funding available to the Licensee as specified by the Board has been expended.
- 12.9 The Licensee shall report to the Board, as soon as practicable, the date on which the total amount of CEAP funding available to the Licensee as specified by the Board has been expended. For greater certainty, the reference to CEAP funding does not include funding available to the Licensee for CEAP-SB (as defined in paragraph 13.1) even if that funding is used to provide credits to CEAP-eligible accounts.

#### 13 Administration of COVID-19 Energy Support Program – Small Business

- 13.3 The Licensee shall:
- (b) Subject to paragraph 14.1, process all complete Application Forms in the order in which they are received
- 13.6 Despite paragraph 13.4:
- (a) The Licensee is not required to provide a credit to a CEAP-SB eligible account if the total amount of funding available to the Licensee as specified by the Board for CEAP-SB and CEAP (as defined in paragraph 12.1) in the aggregate has been expended; and
- 13.6A Despite paragraph 13.6(a), the Licensee shall not use funding available for CEAP (as defined in paragraph 12.1) to provide a credit to a CEAP-SB eligible account until the total amount of CEAP-SB funding available to the Licensee as specified by the Board has been expended.
- 13.9 The Licensee shall report to the Board, as soon as practicable, the date on which the total amount of CEAP-SB funding available to the Licensee as specified by the Board has been expended. For greater certainty, the reference to CEAP-SB funding does not include funding available to the Licensee for CEAP (as defined

in paragraph 12.1) even if that funding is used to provide credits to CEAP-SB eligible accounts.

#### 14 Processing of Applications for CEAP and CEAP-SB from Pooled Funds

14.1 Once the Licensee commences to provide credits for CEAP-eligible accounts from funding available to the Licensee for CEAP-SB or to provide credits for CEAP-SB-eligible accounts from funding available to the Licensee for CEAP, the Licensee shall process Application Forms in the order in which they are received regardless of the program to which the Application Form applies. Defined terms used in this paragraph have the meanings given to them in paragraphs 12.1 and 13.1.